

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

GRANITE STATE INSURANCE COMPANY,

PLAINTIFF,

vs.

RAINIER ARMS LLC,

DEFENDANT.

Civil Action No. 1:23-cv-07644 (MMG)

ORDER

MARGARET M. GARNETT, District Judge:

WHEREAS, Plaintiff Granite State Insurance Company (“Granite State”) brings this action for declaratory relief against Defendant Rainier Arms LLC (“Rainier”). Plaintiff’s amended complaint (the “Amended Complaint”) seeks a declaration that it need not defend nor indemnify Defendant in three lawsuits (the “Underlying Suits”) brought respectively by the State of New York and the cities of Buffalo and Rochester. In this action, Defendant asserts counterclaims for breach of contract, declaratory judgment that Plaintiff has a duty to defend Defendant in the Underlying Suits, and bad faith for refusal to defend Defendant in the Underlying Suits.

WHEREAS, the parties cross-moved for partial summary judgment on the issue of Plaintiff’s duty to defend. By Opinion and Order dated March 27, 2025, Plaintiff’s motion was granted, and Defendant’s motion was denied. Summary judgment was granted to Plaintiff on its first cause of action and on Defendant’s first and second counterclaims because Granite State is not obligated to defend Rainier in the Underlying Suits.

WHEREAS, the surviving claim and counterclaim, which were not the subject of the motions, are: (1) Count II of the Amended Complaint for a declaration that Granite State does

not owe a duty to indemnify and (2) Rainier's third counterclaim for bad faith. The decision and reasoning provided in the March 27, 2025, Opinion and Order is dispositive of these claims as well.


WHEREAS, Defendant has not moved for reconsideration of the March 27, 2025, Opinion and Order.

WHEREAS, in a letter dated May 27, 2025, the parties agreed that the appropriate next steps in the action are for the Court to grant judgment for Plaintiff on the remaining Count in the Amended Complaint regarding the duty to indemnify (Count II), grant judgment against Defendant on its remaining counterclaim for bad faith, and enter final judgment. It is hereby

ORDERED that, for the same reasons that the Policies do not obligate Plaintiff to defend Rainier in the Underlying Suits, as explained in the March 27, 2025, Opinion and Order, the Policies do not obligate Plaintiff to indemnify Rainier in the Underlying Suits. Judgment is hereby entered for Plaintiff on Count II of the Amended Complaint. Defendant's remaining counterclaim is dismissed. Each party shall bear its own costs, expenses and attorneys' fees.

The Clerk of Court is respectfully directed to enter Judgment in favor of Plaintiff.

Dated: June 3, 2025
New York, New York

By: 
MARGARET M. GARNETT
United States District Judge